

For Immediate Release

HKBN 2014 Interim Results: Strong and Sustainable Growth Continued

Enterprise Solutions and Online Business to Join Residential Fiber Service as Key Growth Drivers

(Hong Kong, 15 May 2014) Hong Kong Broadband Network Limited ("HKBN") today announced unaudited interim results for the six months ended 28 February 2014. Strong financial and business performance was recorded for this period, paving the way for the company's further sustainable growth. Key figures of 2014 interim results include:

- Service revenue grew by 9.9% year-on-year to HK\$986 million
- EBITDA up by 16.4% year-on-year to HK\$404 million
- EBITDA minus CAPEX up 24.2% to HK\$272 million
- Average Revenue Per Household (ARPH) increased 14.6% year-on-year to HK\$180
- Residential Broadband Subscription Market Share increased to 33.1%
- Residential Broadband Average Monthly Churn Rate consistently stayed below 1%

"We are proud that HKBN again recorded a set of solid financial results, driven by the strong growth in both residential and enterprise businesses," said William Yeung, Chief Executive Officer and Co-Owner of HKBN. "We further expanded our residential broadband market share to 33.1%, continuing to be the leader in residential ultra-high-speed broadband (100Mbps & above) market, a high-growth market segment with 27.7% Compound Annual Growth Rate (CAGR) over the past 4 years. With 662,000 residential broadband subscriptions recorded in February 2014, we are steaming ahead to further increase our market share."

Enterprise Solutions will be one of the key growth drivers of HKBN. HKBN has formulated vigorous business plans and is in the process of expanding its headcount for enterprise business by 50% to capture full potential of the corporate market, with its comprehensive suite of service offerings and strong support of world-class technology partners. HKBN aims at rapidly increasing its Enterprise Solutions revenues.

As an innovative company which embraces enhancement of industry standard and value creation, HKBN took aggressive steps to expand its acquisition business and customer service support on online platforms.

"Our online subscriptions increased substantially for the past six months up to Feb 2014, and we expect a strong growth momentum ahead," said Selina Chong, Chief Marketing Officer and Co-Owner of HKBN. "We are proud to break the local market norm of relying on on-street and in-shop selling. Broadband service nowadays should be ultra-fast, hassle-free and of great value. So should it be for broadband subscription and online support service."

"We have built a customer-focused online platform to offer a great diversity of flexible, exclusive and high-value service plans to meet different needs. Online subscription can be completed in less than 3

minutes anywhere, anytime. A full range of “My Account” service support is also available on web and via mobile app. This is the way broadband should be!” added Selina Chong.

About Hong Kong Broadband Network Limited

Hong Kong Broadband Network Limited (“HKBN”) is the leading provider of residential symmetric 100 Mbps and above broadband services in Hong Kong with a core purpose as to “Make our Hong Kong a Better Place to Live”. HKBN offers a diversified portfolio of innovative residential, enterprise and carrier services in broadband and Wi-Fi access, communication and entertainment to 1.4 million subscribers.

HKBN takes great pride in developing its 2,500-strong Talent force into a competitive advantage. In May 2012, the company underwent a management buy-out and is now majority-owned by funds advised by CVC Capital Partners and 78 HKBN managers.

For details of HKBN, please visit www.hkbn.net

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Issued by Hong Kong Broadband Network Ltd

For media enquiry, please contact:

Connie Lau

Corporate Communications Department

Tel: +852 9728 9289

Fax: +852 3999 7349

Email: media@hkbn.com.hk